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OGC 79-00724

1-23-79

MEMORANDUM FOR: Director of Central Intelligence

FROM: Don I. Wortman
Deputy Director for Administration

SUBJECT: CIA Implementation of Ethics in Government Act
of 1978

REFERENCE: OGC Memorandum to the DCI dated 29 December
1978, Same Subject

1. Action Requested: Your approval of the recommendation in paragraph seven of this memorandum is requested.

2. Background: You asked for my comments on the paper sent to you by Tony Lapham recommending that we ask the Director of the Office of Government Ethics to grant an extension of time for filing of financial reports by CIA employees under the Ethics in Government Act; that you designate a high-ranking Agency official to be responsible for administration of this Act; and that a senior-level working group be appointed to assist that official. You have already indicated your agreement with the proposal that an extension of the time required for filing be requested. My comments, therefore, are limited to the designation of someone to administer the Act.

3. As I understand the requirements, the job will be most demanding each spring in preparation for submitting reports by May 15. Functions are delegable, however, so the workload can be shared even though the ultimate responsibility must be borne by the single senior Agency designee.

4. The individual selected should have enough stature and maturity to deal with personal financial information of the most high-ranking employees of the Agency; to solicit supplementary information as required; to influence them to submit their reports on time; and to prod them when they don't. Preferably he should have enough legal and financial/investment background to understand and administer the statute. Such expertise as exists in specialized

All portions of this
memorandum are unclassified

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fields in the Agency should be available to him as required to get the job done.

5. Several options are available:

a. As Jack Blake suggested, you might designate someone from the Office of the General Counsel or the Office of the Inspector General. The desirability of legal background, independence, custom of dealing with sensitive and private matters are among the considerations that support such a recommendation. In addition, the General Counsel already has the responsibility for administering the financial disclosure requirements of the Conflict of Interest Regulation. On the other hand, remote and unusual as the possibility may be, there is nevertheless the chance that the IG might occasionally be in the position of investigating himself, and the General Counsel might have to function as both "defense attorney" and "prosecutor."

b. Apart from the two components mentioned above, there is no particular organizational unit or position that suggests itself as being intrinsically the logical place to put it. The Deputy or Associate Deputy Director for Administration, the Director of Personnel or, perhaps, the Director of Finance come as close as any to association by position with the function to be performed. Many functions with potential conflicts of interest, such as procurement contracting for example, are performed in these components as functional and management responsibilities of the incumbents. These responsibilities could conflict with the "Ethics" responsibility and produce awkwardness.

c. The responsibility could be assigned to an individual with a particular interest or competence that qualified him especially for the function to be performed. Not being widely acquainted in the Agency yet, a roster of names does not come to mind.

6. Whatever option may be selected, the designee will require support. Delegation to a senior officer in each directorate and reliance upon them for fulfillment of basic responsibilities within the Directorates might be appropriate.

7. Action Recommended: Because administration of the Ethics in Government statute will require independence and legal background;

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because conflict of interest is a major element of the Ethics statute and the General Counsel already has responsibility for, and experience with administration of existing conflict of interest regulations; and because the likelihood of being "prosecutor" and "defendant" at the same time is relatively remote, it is recommended that the General Counsel be assigned responsibility for administering the Ethics in Government statute. To assist him, it is recommended that a single senior officer acceptable to the General Counsel be designated in each directorate.

Don I. Wortman

The recommendation in paragraph 7 is:

APPROVED:

Director of Central Intelligence

Date

DISAPPROVED:

Director of Central Intelligence

Date

SA/DDA/RHWiltse:cn

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